Honorable Arnold Schwarzenegger Governor, State of California State Capitol Building Sacramento, CA 95814

Dear Governor Schwarzenegger:

California voters sent a strong message in rejecting the budget propositions on Tuesday. This illustrates the need for structural reform -- not band-aids that allow business as usual.

To address the nearly \$21.3 billion dollar deficit, you need to appoint a five-member Blue Ribbon commission with representatives from California's top business schools to develop structural reforms within 60 days -- and call for a special session of the legislature to immediately implement them.

These reforms ought to include:

- 1. CONSOLIDATING AND ELIMINATING STATE AGENCIES WITH DUPLICATIVE AND/OR UNNEEDED RESPONSIBILITIES
- 2. A 2-YEAR BUDGET
- 3. ELIMINATING NON-ESSENTIAL COMMISSIONS AND REPLACING SALARIED COMMISSIONERS WITH \$100 STIPEND PER MEETING
- 4. A PART-TIME LEGISLATURE
- 5. REPEALING TERM LIMITS
- 6. ELIMINATING LEGISLATION THAT REQUIRES MORE DOLLARS TO PASS THAN RECIPIENTS WILL RECEIVE
- 7. REFORMING CIVIL SERVICE

Governor Arnold Schwarzenegger Page 2 May 22, 2009

CONSOLIDATING AND ELIMINATING STATE AGENCIES WITH DUPLICATIVE RESPONSIBILITIES

We need to rebuild the foundation -- not rearrange the furniture on the top floor of a collapsing building. For example, the franchise tax board and the board of equalization could be combined for a savings of several million dollars.

A 2-YEAR BUDGET

This would enable school boards, county governments and city governments to have a consistent funding stream to prepare its own financial agenda for public safety, schools, libraries and parks.

A PART-TIME LEGISLATURE

We have a full-time legislature that hasn't done the job many states have with part-time legislatures. When not in session, part-time legislators can get back in the classroom teaching or serving the public in healthcare, business or farming -- whatever their position in the private sector is. It would bring a sense of reality to the legislative process, allow citizen lawmakers to bring valuable professional experience to the legislative process and reduce the high costs for excessive legislation.

REPEALING TERM LIMITS

Term limits has been a disservice that promotes instability and an inexperienced legislature.

REFORMING CIVIL SERVICE

We need to bring our Civil service system into the 21st Century.

Governor Arnold Schwarzenegger Page 3 May 22, 2009

While we have a crippling state deficit, unemployment and a national recession, it pales in comparison to the adversities our nation faced when Abraham Lincoln was our leader.

In 1861, only ten days before Abraham Lincoln took the oath of office, our nation was torn in half. Making matters worse, Lincoln, who was elected by a minority of the popular vote, was viewed by his own advisors as nothing more than a gawky country lawyer with no leadership experience. However, Lincoln's uncanny leadership abilities guided this nation through its darkest hour.

Taking a page out of Lincoln's playbook your leadership can reform the state government, improve the budget process, alleviate the state fiscal crisis and move our state forward.

When I was first elected to the Board of Supervisors, I initiated two successful programs. The consolidation of County Departments under the leadership of the County's Economy and Efficiency Commission, Joe Crail and the UCLA Graduate School of Management. This has saved Los Angeles County taxpayers millions of dollars. The Quality and Productivity Commission's goal is to recognize programs that streamline operations while enhancing the effectiveness of services to county residents. To date, the commission's programs and cost saving measures have saved the county taxpayers nearly \$3 billion dollars.

As John C. Maxwell said, there is no such thing as "leadership during tough times," there is only "leadership."

Best regards,

MICHAEL D. ANTONOVICH Supervisor

cc: Members of the California State Legislature